



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

S/055/008

0003

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October 20, 2003

Tim Thomas  
Thomas Excavating  
2966 South Hudson Circle  
Salt Lake City, Utah 84106

Subject: Termination of Suspension of Mining Operations, Thomas Excavating, Durfey Butte (E/017/039) Garfield County, and Peacock Project (S/055/008) Wayne County, Utah

Dear Mr. Thomas:

On September 8, 2003, the Division notified you that your mining operations were placed in suspension for failure to pay the required permit fees for year 2003. On October 8, 2003 we received your permit fee payment for the Durfey Butte exploration project, and your request that we inspect the Peacock small mine project and close that file. Your operations have been taken out of suspension status. This request to inspect the Peacock site and close the permit will waive the requirement for fee payment until a site inspection can be performed to determine if all reclamation is completed and the file can be closed.

Peacock Project – S/055/008 (Paul Baker, inspector)

Your request to inspect this site and close the permit will waive the requirement for fee payment until a site inspection can be performed to verify that all reclamation work is completed and the file can be closed. An inspection of the site will be made during our next trip to Wayne County area. If the reclamation is fully completed, we will be able to close the permit. If reclamation is not satisfactory and the site cannot be officially closed, the permit fee will be due and payable within 30 days from the date of the inspection. We assume that all reclamation standards have been met, which prompted you to request release of the site. We will notify you to see if you would like to be present during the inspection.

Durfey Butte – E/017/039 (Tom Munson, inspector)

Receipt of the fee payment for the Durfey Butte exploration project is accepted. However, we need to advise you that exploration notices are only valid until November 30<sup>th</sup> of the year following submission of a notice. Your notice was received and approved in 1997. We have had no progress reports from you regarding this site. Exploration notices are meant to be only short term projects. If a mineral deposit is not found within that length of time, the project should be reclaimed so release of the permit can be made. If there is a mineral deposit that you wish to pursue, the project needs to be permitted as a mining operation. A mining permit will

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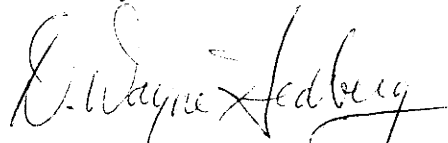
remain valid as long as the permit fees are kept current and annual reports received, unless the operation is suspended for more than five consecutive years. Reclamation is mandatory after 10 years of continued suspension, unless approved by the Board of Oil, Gas and Mining for an extended period.

Because you have kept the permit fees current and you have not requested release of this site, we have enclosed a Notice of Intention to Commence Small Mining Operations (form MR-SMO). Please complete the notice and submit it to the Division within the next 10 days. We will transfer your permit fee to the small mine permit, and you will not be required to pay another permit fee with the application.

***Reclamation bonding is required for all sites.*** The Division will acknowledge reclamation bonds held by other agencies if they are sufficient for reclamation purposes. Therefore, if you have a sufficient reclamation bond posted with the School and Institutional Trust Lands for this project, we will not require additional bonding.

If you have any questions or concerns regarding this letter, please contact me, Paul Baker or Tom Munson at (801) 538-5286, 538-5261 or 538-5321 respectively. Thank you for keeping your mine permits in good standing.

Sincerely,



D. Wayne Hedberg, Permit Supervisor  
Minerals Regulatory Program  
Utah Division of Oil, Gas and Mining

DWH:jb  
Enclosure: MR-SMO  
cc: Paul Baker, DOGM  
Tom Munson, DOGM  
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